### LEGISLATIVE RESEARCH COMMISSION

# MOTOR VEHICLE INSPECTION PROGRAMS



REPORT TO THE

1985 GENERAL ASSEMBLY

OF NORTH CAROLINA



# LEGISLATIVE RESEARCH COMMISSION

# MOTOR VEHICLE INSPECTION PROGRAMS



REPORT TO THE

1985 GENERAL ASSEMBLY

OF NORTH CAROLINA



#### STATE OF NORTH CAROLINA

### LEGISLATIVE RESEARCH COMMISSION STATE LEGISLATIVE BUILDING

RALEIGH 27611



December 13, 1984

TO THE MEMBERS OF THE 1985 GENERAL ASSEMBLY:

This is the Legislative Research Commission's report to the 1985 General Assembly on the Motor Vehicle Inspection Program Study. This report is made pursuant to Section 5 of 1983 Session Laws Chapter 905 (HB 1142), was prepared by the Legislative Research Commission's Committee on Motor Vehicle Inspections, and is transmitted by the Legislative Research Commission for your consideration.

Respectfully submitted,

Diston B. Ramsey

Speaker of the House

W. Craig Lawiy

Senate President Pro Tempor

Cochairmen Legislative Research Commission



### TABLE OF CONTENTS

I.	Letter of Transmittal	i
II.	Table of Contents	ii
III.	Introduction	1
IV.	Background	3
V.	Committee Proceedings	5
VI.	Findings & Recommendations	7
VII.	Appendices:	10



### INTRODUCTION

The Legislative Research Commission, created by Article 6B of General Statutes Chapter 120, is authorized at the direction of the General Assembly "to make or cause to be made such studies of, and investigations into, governmental agencies and institutions and matters of public policy as will aid the General Assembly in performing its duties in the most efficient and effective manner," "to report to the General Assembly the results of the studies made," and that submitted reports "may be accompanied by the recommendations of the Commission and bills suggested to effectuate the recommendations." (G.S. 120-30.17) The Commission is chaired by the Speaker of the House and the President Pro Tempore of the Senate, and consists of five Representatives and five Senators, who are appointed respectively by the Cochairmen. (G.S. 120-130.10(a))

On the authorization of the 1983 General Assembly, the Legislative Research Commission has undertaken studies of 27 matters which have been grouped in ten areas of related subject matter. Each member of the Legislative Research Commission was delegated the responsibility of overseeing one group of studies and causing the findings and recommendations of the various committees to be reported to the Commission. (See Appendix A for a list of the Commission members.)

Pursuant to G.S. 120-30.10(b) and (c), the Commission Cochairmen appointed study committees consisting of legislators and/or public members to conduct the studies. In addition, one Senator and one Representative from each study committee were designated Cochairmen.

Pursuant to Section 5 of House Bill 1142 (Chapter 905, 1983
Session Laws), the Legislative Research Commission was authorized to study the Motor Vehicle Inspection Program. (See Appendix B.)
In order to accomplish this study, Representative John J. Hunt, a member of the Legislative Research Commission was appointed to coordinate and oversee the study of the Inspection of Motor Vehicles. Senator David R. Parnell and Representative Aaron E.
Fussell were appointed as Cochairmen of the Committee. The other members of the Committee were Senators Henson P. Barnes, George W. Marion, Jr., Robert D. Warren, and Julius A. Wright and Representatives Louise S. Brennan, David W. Bumgardner, Jr., Jeff H. Enloe, Jr., and Edith L. Lutz. The Legislative Services Office provided staff assistance to the Committee membership.)

The minutes of the Committee meetings reflect the statements and discussions of each meeting. This information is included in the Committee files which are available through the Legislative Library.

#### BACKGROUND

During the 1983 Session of the General Assembly, the state motor vehicle inspection program was the subject of two bills introduced in the House of Representatives. House Bill 1322, which was introduced on June 21, 1983 and signed by 39 members, sought to have annual inspections expire when car tags expire. House Bill 1332 was postponed indefinitely on July 6, 1983. House Bill 1327, which was introduced on June 22, 1983, sought to: (1) provide stickers to be placed on cars that failed the safety inspection until the defects were corrected; (2) increase the inspection fee from \$3.65 to \$4.65; (3) increase the inspection sticker fee from 60¢ to 85¢; and (4) change the distribution of the collected fees including creating a fund called "The Safety Equipment Enforcement and Surveillance Fund". House Bill 1327 was tabled in the House of Representatives on July 8, 1983 and as a result of questions raised during its debate, the Motor Vehicle Inspection Program was added to the list of subjects to be studied by the Legislative Research Commission pursuant to House Bill 1142 (Chapter 905, 1983 Session Laws).

Section 5 of House Bill 1142 provides: "The Legislative Research Commission may study the effectiveness of the motor vehicle inspection program required by Article 3A of Chapter 20 of the General Statutes. The study may consider, among other aspects, the impact on highway safety, cost effectiveness of the

program, and probable impact of eliminating part or all of the program."

#### COMMITTEE PROCEEDINGS

The Committee, during its three meetings (on December 6, 1983, February 2, 1984, and March 28, 1984), heard testimony and discussed various issues concerning North Carolina's Periodic Motor Vehicle Inspection Program.

The Committee studied the history of periodic motor vehicle inspections, nationwide, from their inception in New York,
Massachusetts, and Maryland in 1927 through the repeal of the mandatory inspection laws in Georgia and Nebraska in 1982. The Committee noted the trend of more states requiring inspections (including North Carolina implementing its inspections, through Article 3A of Chapter 20 of the General Statutes in 1965) until 1975, when the enforcement procedures in the federal Highway Safety Act, which tied the receipt of federal funds to the existence of an inspection program, were repealed by Congress. The Committee noted the trend of 12 states repealing their inspection programs, in whole or in part, since 1975.

The Committee solicited comments from the Commissioners of Motor Vehicles in all 50 states and the District of Columbia concerning their inspection programs. Where the state had repealed or modified their programs, comments were sought as to why the changes were made. The Committee received and studied comments from 33 states.

The Committee studied, in detail, the provisions of G.S. 20-183.2 through G.S. 20-183.8 which govern the equipment inspection of motor vehicles in North Carolina. The Committee compared the

equipment covered by North Carolina's inspection with the equipment covered by the inspections currently required in 20 other states.

The Committee studied the items of equipment which are currently required by law in North Carolina to be on motor vehicles but are not subject to the inspection program.

The Committee heard testimony concerning the effectiveness of the periodic motor vehicle inspection program and received a report concerning the costs of the operation of the inspection program during 1982 and 1983.

The Committee heard and considered presentations from representatives of the North Carolina Retailer's Association and the North Carolina Automobile Dealer's Association requesting that the fees for the inspections be increased to keep up with inflation and to provide a fair return to the stations conducting the inspections. The Committee also heard from representatives of the North Carolina Tire Dealers & Retreaders Association requesting that the method of measuring the tread depth on tires as provided in G.S. 20-122.1 be changed to take into account the changes in tire construction and shape since 1969 when this law was enacted.

(Details on the Committee proceedings are contained in the minutes of the meetings which are on file in the Legislative Library. Appendix D contains a list of speakers appearing before the Committee.)

### FINDINGS AND RECOMMENDATIONS

1. THE COMMITTEE FINDS that the periodic motor vehicle inspection program is serving the beneficial function of identifying vehicles having equipment defects which would create a safety hazard by their continued operation on the state's highways. The inspection program mandates the repair of these defective vehicles, thereby decreasing the likelihood that these vehicles will become involved in accidents and reducing the likelihood of injury to their operators or passengers or to other members of the motoring public. While specific statistics are not available, it is reasonable to assume that some of the defective vehicles identified through the inspection program (916,534 in 1982 and approximately 940,000 in 1983) would continue to be operated on the state's highways without repair, thereby increasing the hazard to the motoring public.

THE COMMITTEE RECOMMENDS that the periodic vehicle inspection program should be continued in North Carolina.

2. THE COMMITTEE FINDS, as a result of a comparison between items of equipment required by law and the items of equipment inspected during the annual safety inspection, that safety belts and windshields are not subject to inspection but are required by other sections of the motor vehicle code. Windshields and seat-belts are both safety related items of equipment and should be included in the safety inspection. Since the use of safety belts is not mandated by law, inspection for them should be on an

"advisory only" basis similar to the procedure now used for mufflers.

THE COMMITTEE RECOMMENDS that G.S. 20-127(c) be amended to make windshields subject to the annual safety inspections. (See Appendix E for a Draft Bill.) Also, the Committee recommends that G.S. 20-183.3(a) be amended to include safety belts in the annual safety inspection on an "advisory only" basis. (See Appendix F for a Draft Bill.)

3. THE COMMITTEE FINDS that due to the changes in construction and shape, or profile, of motor vehicle tires, the current statutory standard for the measurement of tread depth would allow unsafe tires to be approved for use on the highways. The current law requires that tires be measured at three points on the two grooves nearest the center of the tire and does not require measurement on the outer edges of the tire where wear would be the greatest in an underinflated tire. With the advent of self-service stations fewer tires are being kept inflated to their proper levels of air pressure.

THE COMMITTEE RECOMMENDS that G.S. 20-122.1(a) (4) be amended to make a tire unsafe if two or more tread wear bars are visible along any two adjacent major tread grooves. (See Appendix G for a Draft Bill.)

4. THE COMMITTEE FINDS that the last changes in the fees charged for the periodic motor vehicle inspections were enacted in 1979 when the cost of the inspection went from \$3.10 to \$3.65 and in 1981 when the cost of the inspection sticker went from 35¢ to 60¢. The Committee also finds that there is a need for

additional personnel within the Division of Motor Vehicles to monitor the performance of the inspection stations to insure compliance with the inspection statutes and regulations. In order to keep up with inflation, to allow the inspection stations a fair return for the time expended in performing the inspections, and to provide funding for additional personnel to monitor the inspection program, the fee collected by the inspection station should be increased by 60¢ to \$4.25 and the fee collected by the state should be increased by 15¢ to 75¢ with the 15¢ increase being placed in a fund to enhance the monitoring of the program.

THE COMMITTEE RECOMMENDS that G.S. 20-183.7 be amended to provide a fee increase of 60¢ for the inspection station and a fee increase of 15¢ to the Highway Fund which shall be placed in a fund to enhance the monitoring of the program. (See Appendix H for a Draft Bill.)



### Appendix A

### LEGISLATIVE RESEARCH COMMISSION

Liston B. Ramsey
Speaker of the House
of Representatives

W. Craig Lawing
President Pro Tempore
of the Senate
Cochairmen

Rep. Christopher S. Barker, Jr.

Rep. John T. Church

Rep. Bruce Ethridge

Rep. John J. Hunt

Rep. Margaret Tennille

Sen. William N. Martin

Sen. Helen R. Marvin

Sen. William W. Staton

Sen. Joseph E. Thomas

Sen. Russell Walker



### GENERAL ASSEMBLY OF NORTH CAROLINA SESSION 1983 RATIFIED BILL

### CHAPTER 905 HOUSE BILL 1142

AN ACT AUTHORIZING STUDIES BY THE LEGISLATIVE RESEARCH COMMISSION AND BY THE COMMISSION ON CHILDREN WITH SPECIAL NEEDS AND MAKING TECHNICAL AMENDMENTS RELATING THERETO.

The General Assembly of North Carolina enacts:

Section 1. The Legislative Research Commission may study the topics listed below. Listed with each topic is the 1983 bill or resolution that originally proposed the study and the name of the sponsor. The Commission may consider the original bill or resolution in determining the nature, scope and aspects of the study. The topics are:

(1) Continuation of the Study of Revenue Laws (H.J.R. 16 - Lilley); and the ramifications, if enacted, of H.B. 746, Appraisal of Subdivided Tract (Auman) and H.B. 1250, No Intangible Tax/Income Surtax (Auman),

(2) Continuation of the Study on the Problems of the Aging (H.J.R. 44 - Economos; S.J.R. 16 - Gray),

(3) Continuation of the Study on Insurance Regulation (H.B. 63 - Seymour) and Insurance Laws and Regulation of Insurance Industry (H.B. 1243 - Hightower),

(4) Teaching of Computer Literacy in the Public Schools and Community Colleges (H.J.R. 191 - Berry) and the Continuation of Study of College Science Equipment (H.J.R. 898 - Enloe),

(5) Adequacy of State Management of Large-Scale Land Clearing and Peat Mining (H.J.R. 220 - Evans),

(6) Adequacy of Existing Water Pollution Control Programs to Improve and Protect Water Quality in the State (H.J.R. 232 - Evans),

(7) Marketing of Seafood by Fishermen (H.J.R. 896 - Chapin),

(8) Continuation of Study on the Economic Social and Legal Problems and Needs of Women (H.J.R. 904 - Easterling; S.J.R. 329 - Marvin),

(9) Regulation of Nonpublic and Public Post-Secondary Educational Institutions (Joint Resolution 33 (H.J.R. 988 - Thomas)),

(10) Readable Insurance Policies (H.B. 1069 - Ballance),

(11) State Government Risk Management (H.J.R. 1083 - Seymour),

(12) Biotechnology Development (H.B. 1122 - Etheridge, Bobby and H.J.R. 1282 - Etheridge, Bobby; S.J.R. 620 - Hancock),

(13) Continuation of Study of the State's Interest in Railroad Property (H.B. 1142 - Hunt),

(14) Restricting Driving by Minors (H.J.R. 1149 - J. Jordan),

- (15) Health Professionals (H.J.R. 1194 Diamont),
- (16) Water Quality in Haw River and B. Everett Jordan Reservoir (H.J.R. 1257 Hackney),
- (17) Regulation of Alcoholic Beverages on State Property (H.J.R. 1292 Clark),
- (18) Disposition of Animals by Animal Shelters and Pounds (H.J.R. 1309 Stamey),
- (19) Boards, Commissions, and Councils in the Executive Branch (H.J.R. 1321 Hunt),
- (20) Feasibility of a Food Distribution Facility on Dix Farm Property in Raleigh (H.J.R. 1334 James),
- (21) Implementation of Identification and Labelling of Toxic or Hazardous Substances as Proposed by House Bill 1339 (Payne),
- (22) Water Resources Issues Involving North Carolina and Virginia (H.J.R. 1404 Church),
- (23) Investment Guidelines for Eleemosynary Institutions and Funds (H.J.R. 1423 Musselwhite),
- (24) Child Support Collection Procedures (H.J.R. 1439 Easterling: S.J.R. 675 Woodard, W.),
- (25) Contamination of Unpackaged Foods (H.J.R. 1441 Stamey),
- (26) Legislative Communications Confidentiality (H.R. 1461 Miller),
- (27) Continuation of the Study of Information Processing Resources in State Government (S.J.R. 44 Alford),
- (28) Regulation and Taxation of Banks, Savings and Loans and Credit Unions (S. J. R. 381 Edwards of Caldwell),
- (29) District Attorney Standards (S.B. 496 Hipps),
- (30) Cost of Providing Attorneys and Guardians Ad Litem to Indigents (S.J.R. 643 Swain),
- (31) Public Health Facility Laws (S.J.R. 656 Hancock), and Review of Certificate of Need Procedures (H.J.R. 1294 Economos),
- (32) Life Care Arrangements (S.J.R. 657 Hancock).
- (33) Worthless Checks (S.J.R. 661 Thomas of Henderson),
- (34) State-owned Rental Housing as contained in Section 2 of this act,
- (35) User Fees at State-owned Facilities, as contained in Section 3 of this act,
- (36) Motorboat Titles and Liability Insurance, as contained in Section 4 of this act,
- (37) Motor Vehicle Inspection Program, as contained in Section 5 of this act,
- (38) Continuation of the Study of Day Care (H.J.R. 594 Colton),
- (39) Continuation of the Study on Twelfth Grade (H.J.R. 753 Mauney; S.J.R. 343 Tally),
- (40) Procedure for Incorporating Municipalities (S.J.R. 445 J. Edwards),
- (41) Solar Law (S.J.R. 670 Walker).

- (42) Statutory Liens (S.J.R. 680 Edwards of Caldwell),
- (43) In-service Training of Teachers in North Carolina History, the American Economic System, Free Enterprise Concepts, and Legal Topics (H.B. 1281 Foster).

State-owned Rental Housing. Legislative Research Commission is authorized to conduct a study of all State-owned rental housing during the 1983-84 fiscal year and to recommend a comprehensive statewide rental policy, to be administered by the Department of Administration, to the 1984 Session of the General Assembly. This study shall be conducted in consultation with the department that owns the housing. In conducting this study, the Commission shall first determine the amount of nonessential rental housing currently owned by the State using the following criteria: The geographic location the State property on which the housing is located and its proximity to alternative privately owned housing; the amount time that would be required for employees to arrive at the State property on which housing is now located in the event of emergency; the amount of security necessary for State property that is now being provided by State employees living in Stateowned rental housing; and any other benefits to the State for employees to occupy said housing: The Commission shall recommend the disposition of nonessential rental property by one of three means: sale of the housing and property on which it is located; sale of the housing unit only with the stipulation that the house be removed from State property; and conversion of the housing unit to an alternative use.

(b) It is the polic; of the State of North Carolina that the State provide rental housing only in cases in which an essential State purpose is served. Nothing in these sections shall be construed to mean that State departments may not continue to divest themselves of nonessential rental housing during the course of the Legislative Research Commission study.

Sec. 3. User Fees. The Legislative Research Commission is authorized to study the potential for user charges and admission fees at State-owned cultural, recreational and historical facilities. The study may cover museums, historic sites, marine resource centers as well as other facilities. The Legislative Research Commission may make an interim report to the 1984 Regular Session of the 1983 General Assembly and may make a final report to the 1985 General Assembly.

Sec. 4. Motorboat Titles and Liability Insurance. The Legislative Research Commission of the General Assembly is authorized to study the issue of motorboat titles and liability insurance. The study may include start-up and administrative costs, potential revenues, phase-in plans, financial institution requirements, etc. The Commission may report to the 1984 Session.

Sec. 5. Motor Vehicle Inspection Program Study. The Legislative Research Commission may study the effectiveness of the motor vehicle inspection program required by Article 3A of Chapter 20 of the General Statutes. The study may consider, among other aspects, the impact on highway safety, cost

effectiveness of the program, and probable impact of eliminating

part or all of the program.

Sec. 6. For each of the topics the Legislative Research Commission decides to study, the Commission may report its findings, together with any recommended legislation, to the 1984 Session of the General Assembly or to the 1985 General Assembly, or the Commission may make an interim report to the 1984 Session and a final report to the 1985 General Assembly.

Sec. 7. G.S. 120-30.17 is amended by adding two new

subsections to read:

- "(7) to obtain information and data from all State officers, agents, agencies and departments, while in discharge of its duty, pursuant to the provisions of G.S. 120-19 as if it were a committee of the General Assembly.
- (8) to call witnesses and compel testimony relevant to any matter properly before the Commission or any of its committees. The provisions of G.S. 120-19.1 through G.S. 120-19.4 shall apply to the proceedings of the Commission and its committees as if each were a joint committee of the General Assembly. In addition to the other signatures required for the issuance of a subpoena under this subsection, the subpoena shall also be signed by the members of the Commission or of its committee who vote for the issuance of the subpoena."

Sec. 8. Section 1 of Chapter 1372, Session Laws of 1981, is amended by deleting "as authorized in Section 2 of Resolution 61, Session Laws of 1981".

Sec. 9. Section 1(3) of Chapter 1372, Session Laws of 1981, is amended by deleting "1983 Session", and inserting in lieu thereof "1983 and 1985 Sessions".

Sec. 10. G.S. 124-5 is amended by deleting "June 1, 1983", and inserting in lieu thereof "the date of convening of the 1985 Regular Session of the General Assembly".

Sec. 11. The last sentence of G.S. 124-5 is amended by deleting "11-month period", and inserting in lieu thereof "period ending on convening of the 1985 Regular Session."

Sec. 12. Deaf/Blind School Move--Commission on Children with Special Needs. (a) The Commission on Children with Special Needs, established by Article 12 of Chapter 120 of the General Statutes, may study the issue of transferring the State schools for the Deaf and the Governor Morehead School for the Blind to the jurisdiction of the State Board of Education.

(b) The Commission may make a final report to the Second Session of the 1983 General Assembly. (H.J.R. 246 - Fenner)

Sec. 13. Bills and Resolution References. The listing of the original bill or resolution in this act is for references purposes only and shall not be deemed to have incorporated by reference any of the substantive provisions contained in the original bill or resolution.

Sec. 14. This act is effective upon ratification. In the General Assembly read three times and ratified, this the 21st day of July, 1983.

JAMES C. GREEN

James C. Green President of the Senate

LISTON B. RAMSEY

Liston B. Ramsey
Speaker of the House of Representatives



### Appendix C

Inspection of Motor Vehicles

Committee Members

L.R.C. Member

Representative John J. Hunt Box 426 Cliffside, N. C. 28024 Tel.: (704) 482-7431

President Pro Tempore's Appointments

Speaker's Appointments

Sen David R. Parnell, Cochairman P. O. Box 100 Parkton, N. C. 28371 Tel.: (919) 858-3521

Sen. Henson P. Barnes P. O. Drawer 7 Goldsboro, N. C. 27530 Tel.: (919) 735-6420

Sen. George W. Marion, Jr.
P. O. Box 618
Dobson, N. C. 27017
Tel.: (919) 386-8272

Sen. Robert D. Warren Rt. 3, Box 25 Benson, N. C. 27504 Tel.: (919) 894-3944

Sen. Julius A. Wright P. O. Box 4412 Wilmington, N. C. 28403 Tel.: (919) 791-5040

Rep. Aaron E. Fussell, Cochairman 1201 Briar Patch Lane Raleigh, N. C. 27609 Tel.: (919) 834-7666

Rep. Louise S. Brennan 2101 Dilworth Rd., East Charlotte, N. C. 28203 Tel.: (704) 375-7954

Rep. David W. Bumgardner, Jr. P. O. Box 904
Belmont, N. C. 28012
Tel.: (704) 825-5301

Rep. Jeff H. Enloe, Jr. Rt. 1, Box 38 Franklin, N. C. 28734 Tel.: (704) 524-2632

Rep. Edith L. Lutz Rt. 3 Lawndale, N. C. 28090 Tel.: (704) 538-7818

Professional Staff: Mr. Kenneth T. Levenbook Legislative Drafting, Tel.: 733-6660

Clerical Staff: Mrs. Mary Whiting, Tel.: 733-5977



### Appendix D

### Speakers

Commissioner R. W. Wilkins, Jr. Division of Motor Vehicles

J. G. Wilson
Division of Motor Vehicles

Samuel H. Johnson N. C. Automobile Dealers Association

William C. Rustin, Jr.
N. C. Retailers Association

Ralph O. Howard
N. C. Tire Dealers and Retreaders Assn.

Dr. Patricia F. Walker
U.N.C. Highway Safety Research Center

Bob Smith
N. C. Tire Dealers and Retreaders Assn.



### Appendix E

### A BILL TO BE ENTITLED

AN ACT TO MAKE WINDSHIELDS SUBJECT TO THE ANNUAL SAFETY INSPECTION.
The General Assembly of North Carolina enacts:

Section 1. G.S. 20-183.2(b)(2) is amended by deleting from the list of equipment to be inspected and approved "Windshield Wipers" and substituting "Windshield and Windshield Wiper".

Sec. 2. G.S. 20-183.3(a) is amended by rewriting subdivision (5) in the first sentence to read:

"(5) Windshield and windshield wiper,"

Sec. 3. This act shall become effective January 1, 1986.



### Appendix F

#### A BILL TO BE ENTITLED

AN ACT TO ADD SAFETY BELTS TO THE ITEMS SUBJECT TO THE ANNUAL SAFETY INSPECTION.

The General Assembly of North Carolina enacts:

Section 1. G.S. 20-183.3(a) is amended by adding a new paragraph, at the end, to read: "In addition to the items listed above, safety inspection equipment stations shall inspect for the presence of operating safety belts, as required by G.S. 20-135.2, and report the requirement for those safety belts to the owners or to the persons offering the vehicles for inspection."

Sec. 2. This act shall become effective January 1, 1986.



### Appendix G

### A BILL TO BE ENTITLED

AN ACT TO CHANGE THE METHOD FOR MEASURING THE TREAD DEPTH ON TIRES TO DETERMINE WHETHER OR NOT THEY ARE SAFE.

The General Assembly of North Carolina enacts:

Section 1. G.S. 20-122.1(a)(4) is rewritten to read:

"(4) 'Tread depth' - The distance from the base of the tread design to the top of the tread. A tire shall be unsafe if the tread wear indicators are in contact with the roadway at two or more locations around the circumference of the tire in two adjacent major tread grooves."

Sec. 2. This act shall become effective January 1,

1986.



### A BILL TO BE ENTITLED

AN ACT TO INCREASE THE FEES FOR THE EQUIPMENT INSPECTION OF MOTOR VEHICLES.

The General Assembly of North Carolina enacts:

Section 1. The first sentence of G.S. 20-183.7(a) is amended by deleting "three dollars and sixty-five cents (\$3.65) and substituting "four dollars and twenty-five cents (\$4.25)".

Sec. 2. The third sentence of G.S. 20-183.7(a) is amended by deleting "sixty cents (60¢)" and substituting "seventy-five cents (75¢)".

Sec. 3. The first sentence of G.S. 20-183.7(al) is amended by deleting "three dollars and sixty-five cents (\$3.65)" and substituting "four dollars and twenty-five cents (\$4.25)".

Sec. 4. The third sentence of G.S. 20-183.7(a1) is amended by deleting "sixty cents (60¢)" and substituting "seventy-five cents (75¢)".

Sec. 5. G.S. 20-183.7(c) is rewritten to read:

"(1) Sixty cents (60¢) of the fee collected pursuant to subsection (a) shall be transferred to the Highway Fund, the remaining monies shall be placed in a special fund to be designated 'The Safety Inspection Monitoring Fund' to be used at the direction of the Director of the Budget for monitoring the Equipment Inspection of Motor Vehicles."

Sec. 6. G.S. 20-183.7(c)(2) is rewritten to read:

"(2) The fee of not less than seventy-five cents (75¢) nor more than two dollars (\$2.00) collected pursuant to subsection

(a1) shall be transferred as follows: the first thirty-five cents (35¢) to the Division of Environmental Management, the next fifteen cents (15¢) to 'The Safety Inspection Monitoring Fund' to be used at the direction of the Director of the Budget for monitoring the Equipment Inspection of Motor Vehicles, and any excess up to one dollar and fifty cents (\$1.50) to the Highway Fund."

Sec. 7. This act shall become effective January 1, 1986.



